

FISCAL NOTE

HB 2737 - SB 3572

February 14, 2008

SUMMARY OF BILL: Creates the Tennessee Education Lottery Financial Assistance Grant for certain students who are financially needy and meet specified criteria.

ESTIMATED FISCAL IMPACT:

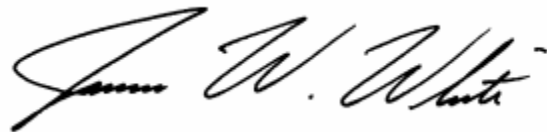
Other Fiscal Impact - Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$20,019,000 in FY08-09 and by \$34,832,000 in FY09-10.

Assumptions:

- The Tennessee Student Assistance Corporation (TSAC) estimates 20,019 students would meet all of the proposed requirements specified in the bill for the first year (FY08-09).
- The amount of the grant is established at \$1,000 per student for full-time attendance.
- The increase of expenditures from lottery proceeds is estimated to be \$20,019,000 (20,019 students x \$1,000 award = \$20,019,000) in the first year (FY08-09).
- TSAC estimates 72% of first-year students (14,413) will retain the grant award for the second year (FY09-10).
- TSAC estimates 20,419 new students in FY09-10.
- The total number of students for FY09-10 is estimated to be 34,832.
- The increase of expenditures from lottery proceeds is estimated to be \$34,832,000 (34,832 students x \$1,000 award = \$34,832,000) in the second year (FY09-10).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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